



MARINE CORPS SYSTEMS COMMAND

EQUIPPING THE WARFIGHTER TO WIN

Implementing Technical Baseline and Cost Estimating Review Best Practices at Marine Corps Systems Command

***Capt Carlton Hensley, Cost & Analysis Branch,
MARCORSYSCOM***

Maj Scott Willette, USMC (Ret)

UNCLASSIFIED – Distribution Code C

Purpose

- Informational brief on our implementation of the SECNAVINST 5223.2 and its implications on MCSC organization and processes
- Describe the review of the NAVAIR and SPAWAR cost practices and the resulting TRB and CRB processes being piloted by the Cost & Analysis Branch
- Provide lessons learned and solicit thoughts on improvement



Agenda

- Background
- Where We Were
- What We Did
- CARD Review Process (Technical Review Boards)
- PLCCE Review Process (Cost Review Boards)
- Lessons Learned



Background

- Command Policy Letter 4-07, Program Life Cycle Cost Estimates - Required all cost analysis for significant (ACAT III and above, those with an external MDA, or otherwise designated by COMMARCORSYSCOM) programs within MCSC or PEO LS to be conducted under the auspices of the MCSC cost organization (EBAB).
- SECNAVINST 5223.2 signed in December of 2008 significantly expanded the roles and responsibilities of the DoN SYSCOM cost organizations and PMs
- The MARCORSYSCOM Cost and Analysis Branch has grown to meet the demand and has developed processes for implementing the SECNAVINST 5223.2



Where We Were

Tasks	Previous Requirement	New Requirement
PM develops CARD prior to LCCE	ACAT I for MS Decisions	All Programs (AAP-MDAP/MAIS), all MS and annually
PM obtains a review of technical and programmatic requirements contained in the CARD from designated SYSCOM authorities before submittal of CARD to the appropriate cost organization	ACAT I for MS Decisions	All Programs (AAP-MDAP/MAIS), all MS and annually
C&A Branch reviews and accepts CARD prior to final approval	None	All Programs (AAP-MDAP/MAIS)
C&A Branch develops PLCCE	ACAT III and above	All Programs (AAP-MDAP/MAIS)
Contract approval for all CCDR and SRDR plans before award	None	All Programs requiring CCDR/SRDR
Provide EVM analytic support to programs	PM's Financial Managers	C&A Branch, All Programs requiring EVM analysis
C&A Branch serves as approving authority for all cost analysis support	ACAT III and above	All Programs (AAP-MDAP/MAIS)
Support Source Selection Cost Analysis	None	C&A Branch
Support PMs w/ POM-building, budget formulation/defense/execution	POM Team/DFM	C&A Branch

PM obtains a review of technical and programmatic requirements contained in the CARD from designated **SYSCOM authorities** before submittal of CARD to the appropriate cost organization(s).



Where We Were in March 2009

Branch Head

Mr. Don Burlingham
Ops Research Analyst, YF-3

Cost and Analysis Capability

Mr. Paul Detar, Ops Research Analyst, YD-3
Mr. Philip Caramanica, Ops Research Analyst, YD-3
Mr. David Maylum, Ops Research Analyst, YD-3
1 X (Vacant)T/O#0229, Ops Research Analyst, YD-3
1 X (Vacant)T/O#0242, Ops Research Analyst, YD-3

Maj Michael Mastria, Defense Systems Analyst
Maj Michael Middleton, Defense Systems Analyst
Maj Stephen H. Mount, Operations Analyst
Maj. Archie Tinjum, Defense System Analyst
Maj Jeffrey Wideman, Defense Systems Analyst
Capt Jason Lovell, Defense Systems Analyst
Capt. Carlton Hensley, Defense Systems Analyst

LtCol Bob Liebe, USMC Reserve

Ms. Elizabeth Green, Contractor

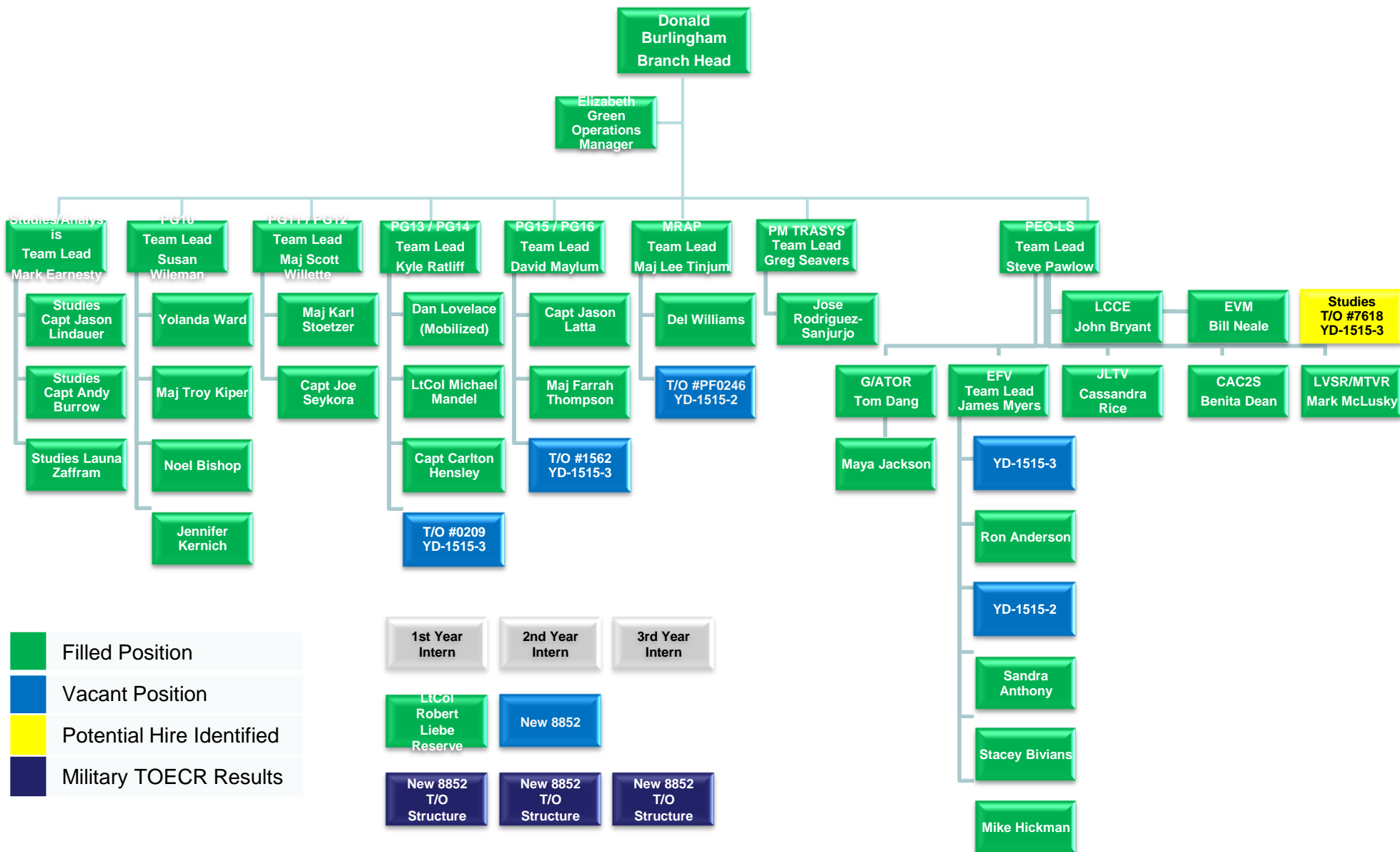
Not all analysts are
dedicated to cost
analysis

7 Marine Analysts (with ~30%
annual turnover)

2 Civilian Analysts



Where We Were in March 2011



Dated 3 Mar 2011

UNCLASSIFIED – Distribution Code C

What We Did

Reviewed
CARD
Requirements

Researched
DoN Best
Practices

For the
CARD:
Adopted
modified
NAVAIR
model
(Technical
Review
Board)

For the
PLCCE:
Adopted
modified
SPAWAR
model (Cost
Review
Board)

Developed the
TRB and CRB
Review
Process

Created
Templates and
Notional
Timelines and
Began
Instituting



How Do We Develop CARDS and PLCCEs?

- Since the C&A Branch falls under the PM Competency, we have been directed to serve as the Command's sponsor for developing CARD and PLCCE policy
- The C&A Branch recognizes the CARD as a PM responsibility, but early and continuous input into CARD development from the cost community ensures the CARD is sufficient to serve as a basis for a PLCCE
 - The number of CARD/PLCCEs being developed requires us to continue to use contractors to support the PM
 - PLCCE development is always the C&A Branch's responsibility even when outsourced
 - Preferred method is to have CARD development as a separate PM effort; however, combining the CARD/PLCCE onto a single task order with multiple CORs is an alternative way of ensuring continuity of effort
 - Even when a C&A Branch analyst is the primary COR on a combined contract, the CARD remains the PM's responsibility



CARD Process



TRB: The CARD Review and Approval Process

ACAT	I/IA/IC/ID	II	III/IV	IV/AAP	PEO Programs
MDA	USD (AT&L) /ASN (RDA)	ASN (RDA)	COMMARCOR-SYSCOM	PGD	As Dir
Technical Review	Competency Directors	Competency Directors	Competency Leads	Competency Leads	Competency Leads
Cost Review	AC PROG	AC PROG	Cost and Analysis Branch Head	Cost Team Lead	PEO Cost Team Lead
Final Approval	COMMARCORSYSCOM	COMMARCOR-SYSCOM	PGD	PM	PEO



PLCCE Process

CARD TRB

Cost & Analysis
Branch begins
work on
PLCCE

Initial Cost
Review Board
(CRB)

Interim
CRB

Line By
Line
Review

Final CRB



CRB: The PLCCE Review and Approval Process

MDA	USD (AT&L) / ASN (RDA) Via COMMARCORSYSCOM	USD (AT&L) / ASN (RDA) Via PEO LS	COMMARCORSYSCOM	PGD
Approval Authority	AC PROG	AC PROG	Cost and Analysis Branch Head	Cost Team Lead
Acceptance	COMMARCORSYSCOM	PEO LS	PGD or PM	PM



Lessons Learned

- Cost Analysts have to be involved with the development of the CARD, at least for the first one for the program
- Timelines don't always allow us to develop the CARD and PLCCE consecutively. A concurrent process works best when the PLCCE is worked as the CARD matures
- The ITR should be conducted by, at a minimum, a competency aligned logistician and engineer
- Early definition of the appropriate levels of review and approval of the CARD and PLCCE have helped to avoid bottlenecks



Questions or Comments?

